BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES AND ENERGY IN AND FOR THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF BEARTOOTH OIL & GAS COMPANY FOR AN ORDER ESTABLISHING DRILLING AND SPACING UNITS FOR THE DAKOTA AND AND MORRISON FORMATIONS UNDERLYING SECTIONS 25, 26, AND 35 ALL IN TOWNSHIP 15 SOUTH, RANGE 22 EAST UINTAH COUNTY, UTAH.

ORDER

Cause No. 149-24 Docket No. 84-031

Pursuant to the Application of Beartooth Oil & Gas

Company, this cause came on for hearing before the Board of Oil, Gas &

Mining, Department of Natural Resources, State of Utah on Thursday, May

24, 1984, in the auditorium of the Natural Resource Building, Salt Lake

City, Utah. The following board members were present: Gregory P.

Williams, Constance K. Lundberg, James W. Carter, Steele McIntyre,

Richard B. Larsen, Charles R. Henderson, John M. Garr.

Appearances were made as follows: for Beartooth Oil and Gas Company, ("the Applicant") Hugh C. Garner, Esq., 310 South Main Street, Salt Lake City, Utah 84101.

FINDINGS

NOW, THEREFORE, the Board having considered the testimony adduced and the exhibits received in said hearing, and being fully advised in the premises, now makes and enters the following:

1. Due and regular notice of the time, place and

purpose of the hearing was given to all interested parties as required by law and Rules and Regulations of the Board; upon all parties having an interest in the tracts of land contiguous to and cornering upon the subject lands as listed in Exhibit "A" of the Application.

- 2. The Board has jurisdiction over the subject matter of said Application and over all parties interested therein and has jurisdiction to make and promulgate the Order hereinafter set forth.
- 3. Applicant has applied for an Order establishing five drilling and spacing units within Sections 25, 26 and 35 all in Township 15 South, Range 22 East, S.L.M., Uintah County, Utah, according to the government survey of said above-described lands for the Dakota and Morrison formations, the source of supply of natural gas underlying said above-described tracts.
- 4. Applicant has further applied for an Order providing that the permitted well spacing units be located no closer than 500 feet from the boundary of the spacing unit with a 200-foot tolerance to be granted administratively for geological and/or topographical exceptions, and no closer than 2,000 feet from an offsetting well in the adjacent area, and that a 200-foot tolerance be permitted in the footage between wells in the event that surface obstructions or undue hazards are encountered.
- 5. That the size and shape of the units are dictated in part by the topography and geology of the area. All available geologic, topographic and economic data concerning the area show that the

applicant has made all reasonable efforts to comply with appropriate and uniform shapes and size requirements. That the subject lands are surrounded in part by a prior unitized area, and that the remaining lands are not available for leasing.

6. Sufficient evidence now being available on which to reach a decision, the Board issues the following.

ORDER

IT IS HEREBY ORDERED BY THIS BOARD AS FOLLOWS:

To prevent the waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, to protect correlative rights and to establish drilling units/zones of uniform size and shape, the Board hereby orders and decrees in Cause No. 149-24 as follows:

With respect to Section 25:

a. One drilling and spacing unit comprising approximately 240 surface acres each in:

Township 15 South, Range 22 East, S.L.M.
Section 25: SE1/4, NE1/4 SW1/4, SW1/4 NE1/4

One drilling and spacing unit comprising approximately 240 surface acres in:

Township 15 South, Range 22 East, S.L.M.
Section 25: N1/2 N1/2, SE1/4 NW1/4, SE1/4 NE1/4
With respect to said Section 26:

b. One drilling and spacing unit comprising approximately 280 acres in:

Township 15 South, Range 22 East, S.L.M. Section 26: N1/2 N1/2, SW1/4 NW1/4, W1/2 SW1/4

With respect to Section 35:

c. One drilling and spacing unit comprising approximately 240 acres in:

Township 15 South, Range 22 East, S.L.M. Section 35: NW1/4, NW1/4 SW1/4, SW1/4 NE1/4

d. One drilling and spacing unit comprising approximately 240 surface acres in:

Township 15 South, Range 22 East, S.L.M. Section 35: SE1/4, NE1/4 SW1/4, S1/2 SW1/4

It is further ordered that the permitted well spacing units be located no closer than 500 feet to the boundary of the spacing unit with a 200-foot tolerance to be granted administratively for geological and/or topographical exceptions, and no closer than 2,000 feet from an offsetting well in the adjacent area, and that a 200-foot tolerance be permitted in the footage between wells in the event that surface obstructions or undue hazards are encountered.

DATED this 22nd day of June, 1984.

BOARD OF OIL, GAS AND MINING

OF THE STATE OF UTAH

reggy P. Williams, Chairman

APPROVED AS TO FORM:

Barbara Roberts

Assistant Attorney General